

## Committee Assurance Reports

Trust Board  
15<sup>th</sup> July 2021

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## Finance & Performance Committee Assurance Report – 30<sup>th</sup> June 2021

Accountable Non-Executive Director	Presented By	Author
Richard Oosterom Associate Non-Executive Director	Richard Oosterom Associate Non-Executive Director	Martin Wood Deputy Company Secretary
<b>Assurance:</b> Does this report provide assurance in respect of the Board Assurance Framework strategic risks?	Y	<b>BAF number(s)</b> 1, 5, 6, 7, 8, 12

### Executive Summary

The Finance & Performance Committee met virtually on 30 June 2021. Our focus was on the ICS, digital items, land sales and operational performance (A&E and discharges, waiting lists and reducing the backlog).

**Annual Planning 2021/22:** We received a verbal update noting that the annual plan 21/22 is to be presented to our next meeting. The H1 plan needs to set out (with system involvement) priorities and efficiencies. The H2 plans is dependent upon further guidance. As discussed in the “Finance” board workshop, a Medium Term Financial Plan will be delivered in 6 months time, underpinned by an operational plan containing the strategic initiatives to deliver the recovery, elements of the clinical services strategy, site configuration changes and transformational changes. The “plan for the plan”, outlining the steps, accountabilities, dependencies, stakeholder engagement and some milestones to share progress with FPC/board will be presented in the July meeting.

We also received an update on the Single Improvement Methodology with further engagement taking place with the two remaining potential suppliers. Our internal capacity to implement SIM is being addressed with both the suppliers and our system partners, who might potentially be able to assist.

**ICS Update:** We received an update on the NHSE/I design framework and guidance for ICS operating model, the development of Worcestershire Place Partnership and current risks for development and delivery of Place. Our focus is on what is beneficial for our population rather than the national template and we are driving this approach with partners. Further guidance is awaited which will provide further clarity on the operational model such as responsibilities for individuals in the new framework and our involvement in the Place Board. A report is to be presented to our next meeting providing greater detail on the options. We are concerned that there has been limited quality time in the Committee devoted to the ICS and this is to be a topic for discussion at the September Board Development Session.

**Digital Strategy Update:** We received a presentation setting out the programme review. We noted key achievements and good progress to date against the 39 objectives originally outlined in the 2019 strategy, the challenges of delivering digital services and the introduction of new digital tools to the Trust during wave 1 and wave 2 of COVID pandemic and the continuing growth in demand for digital to support clinical transformation. The clinical engagement model has flourished during the first 18 months of the strategy, demonstrated by the delivery and the appointment of key clinical champions. We have received confidence that the PAS re-implementation will be delivered on time in terms of quality and budget with the additional resources being requested. The next stage is to develop an integrated roadmap with costings identifying levers for funding. We need to consider the resource requirements for other digital projects in addition to PAS. There are discussions within the ICS aligning the approach to digitalisation. We were informed of the work being undertaken at a system level on the potential costs and benefits of digitalisation which will require the participation of all partners. This will require investment where digital expenditure is benchmarked between 5% and 10% of turnover, but for us is 2.7% currently. We need to consider in the forthcoming months how we develop our organisational capacity to deliver the Strategy.

# Finance & Performance Committee Assurance Report – 30<sup>th</sup> June 2021

## Executive Summary (cont.)

**DCR Programme Review:** We received a presentation setting out the outcome of the review which has thoroughly investigated all aspects of the Full Programme. The review has identified costs for additional infrastructure requirements, additional resource requirements and contingency. We are disappointed that we are proposing to increase expenditure for which funding has not been identified. We consider this to be unacceptable and is not to be repeated in the future. The gateway process suggested is not adopted, because we have no alternative but to accept the additional costs. A further report is to be presented to our next meeting to identify the required funding and further detail on how we will achieve the earn back and next steps.

We reluctantly approved the additional infrastructure requirements noting the immediacy of this requirement to raise Purchase Orders before 1 July 2021 and to prevent further delays in the Programme. This has been approved by the Chair on behalf of the Trust Board.

Assurance level 4

**Digital Aspirant Business Case:** We received a presentation and noted progress in developing our application for participating in the Digital Aspirant Programme. If successful, it would not only realise £6m matched funding, but a considerable acceleration of our DCR programme and associated avoidance of costs and realisation of benefits. A portfolio of Digital Strategy developments has been evaluated for compliance with the requirements of the Programme. We expressed our appreciation for the initiative and look forward to discussing the full business case in our September meeting.

**UEC Business Case Programme and Budget Update – June 2021:** The considerable concerns raised at our last meeting (the increase in costs, the absence of detail on the revenue effects, risks and mitigations and governance arrangements) have been addressed and we are recommending approval of this business case. A separate report appears on the Trust agenda.

**Sale of Land:** We are recommending the sale of two pieces of land and a separate report appears on the Trust agenda.

**Financial Performance Report Month 12:** We noted that against the H1 plan £(2.9)m operational plan, the month 2 plan £(0.8)m deficit we report an actual surplus of £0.7m which is a positive variance of £1.5m. Employee expenses increased in month of which part relates to retrospective shifts added to the Medics booking system in May which related to April shifts. This is being reviewed by HR as it impacts on the accuracy of our weekly temporary staffing returns to NHSE&I. We expressed concern about the increase in staff costs and noted that all the drivers of Bank & Agency pointed in the wrong direction. A detailed review of the development of staff and Bank & Agency costs (including the increase in establishment) will be delivered and discussed in our July meeting.

Given the positive variance in YTD across the system (£3.1m), system CFOs have agreed to offset beneficial variances position to the unmitigated system risk in H1 (£6.4m). A further assessment of ERF achievement has been performed following the recent activity submissions. Our H1 revised plan, inclusive of ERF is a £1.1m surplus. Excluding ERF this would be a £(1.1)m deficit. Operational activity will not impact on ERF YTD but may change slightly when nationally validated.

The assurance levels remain unchanged with 4 for income and expenditure, 5 for capital and 6 cash.

# Finance & Performance Committee Assurance Report – 30<sup>th</sup> June 2021

## Executive Summary (cont.)

**Integrated Performance Report:** We noted that the main challenges are Emergency and Urgent Care demand including discharge capability, recovery and restoration of the elective programme including Outpatients and Diagnostics, Quality and Safety (Infection Prevention and Control, Sepsis, Never Events and Maternity) and People & Culture. We are supporting the Chief Executive in the escalation for all partner organisations to deliver on their commitments on discharges where there are currently the equivalent of two wards of medically fit patients for discharge. Demand is increasing partly as a result of unmet need over the last 18 months and the consequences of our waiting lists. We are concerned over system partner performance and have noted the discussions for better risk alignment. The number of Covid patients has risen slightly. New initiatives are being developed for restoration activity so that we can claim ERF, and more importantly can see a perspective of reducing the waiting lists (where current simulation models show waiting lists growing).

Assurance levels remain unchanged namely for urgent care and patient flow including Homefirst Worcestershire to 5, cancer 5 except 62 days which is 4, Outpatients and planned admissions 4, diagnostics 4, RTT 3 and stroke 5. The overall assurance level is 4.

**BAF Risks – Finance and Performance Committee Section:** Following our risk workshop, we have approved the first iteration of the revised BAF which will remain under ongoing and regular review. We will undertake a deep dive into one risk at every other meeting.

### Contract Awards:

- **Roche Managed Service Contract:** We were disappointed to see this extension, because we already approved the termination of the contract in November. The lesson learned here is that we need to better manage the dependencies with the PFI partner. Since we have no alternative we recommend this for approval to the Board.
- **Orthopaedic Implants Contract:** We are recommending approval of this contract that benefits from good system collaboration.
- **Change Control Notice (CCN) DCR Extension:** We have approved and accept Allscripts agreement of a second 12 month delay to the start of the DCR programme.

**Workplan:** We noted the workplan which has been updated to reflect the new format of our agendas. We will review the workplan at six monthly intervals.

## Recommendation(s)

The Board is requested to receive this report for assurance.

## Quality Governance Committee Assurance Report – 1<sup>st</sup> July 2021

Accountable Non-Executive Director	Presented By	Author		
Richard Oosterom Associate Non-Executive Director	Richard Oosterom Associate Non-Executive Director	Rebecca O'Connor Company Secretary		
<b>Assurance:</b> Does this report provide assurance in respect of the Board Assurance Framework strategic risks?		Y	<b>BAF number(s)</b>	2, 3, 4, 5, 12

### Executive Summary

**The Committee met virtually on 1 July and the key points raised included:**

**Infection, Prevention and Control update:** Committee noted continued progress in antimicrobial stewardship, however there had been 3 potential MSSA cases in June. Typing of c-diff cases has confirmed there is no link and there have been no further cases. Strong improvement in e-coli was noted . **Assurance level 4 (non-COVID) overall was approved.**

**Integrated Performance Report:** Committee discussed ED flow and discharges. alongside a small but steady increase in Covid patients. Theatre utilisation, elective restoration and cancer were discussed. Escalation to ICS system partners to enable faster discharging and limit front door demand was endorsed. A rise in complaints was noted and engagement with patients was explored. We also noted the higher levels of medicine incidents and agreed more analysis and appropriate action plan to be reviewed in the next meeting. Finally we were assured that the backlog in mortality reviews would be reduced to zero in the course of the calendar year. **Assurance level overall was agreed at level 4.**

**End of Life Annual Report, Policy and Strategy:** Committee noted the excellent service and that cultural needs are accounted for. The Policy and Annual Report were approved with the Strategy recommended to the Board for approval. **Assurance level 6**

**Q4 Reports - Patient Safety and Patient Experience:** The quarterly reports were noted. No matters were escalated. Over the coming quarters these reports would be incorporated into the Integrated Performance Report. **Assurance Rating 4 for Patient Safety and 5/6 for Patient Experience**

**Bewick Review:** Committee note the progress made and commend the work of the Chief Medical Officer and teams. It was recommended for onward submission to the Trust Board and to manage via the BAU IPR process going forward. **Assurance level 5 approved.**

## Quality Governance Committee Assurance Report – 1<sup>st</sup> July 2021

### Executive Summary (cont.)

**KP Sepsis and PMRT Assurance Report** : Committee noted progress made in the implementation to provide the necessary assurances to the West Midlands Neonatal Operational Delivery Network. Committee was assured that a PMRT plan is in place and agreed to review delivery of the plan in September and **Sepsis Assurance level = 6**

**CNST**: Committee reviewed the evidence and note the current position with regards to peer review. It was agreed for Chair's action to be taken to sign off the submission due the timing of the Trust Board. Committee was assured all evidence would be collected by the time of submission and recommended for approval & signoff by chair

**Maternity Continuity of carer position** – Committee discussed the current position noting the statement supported the CNST evidence. Committee debated the approach to engagement and the ongoing development of the programme in terms of supporting staff to make this change. It was noted the maternity improvement plan was under development and that the financial consequences needed to be part of that (costing one-off vs revenue). **Assurance level 5 approved.**

**Clinical Policy Stocktake** : Committee received the review and stocktake, noting actions plans are in place to deliver. **Assurance level 6 approved.**

**Board Assurance Framework (BAF)** – Committee reviewed the update BAF noting the risks and assurances in place. It was agreed to share the new risks in relation to urgent care with Finance and Performance Committee. There would be a deep dive review of the risks and a high level summary at alternate meetings.

### Recommendation(s)

The Board is requested to receive this report for assurance.